Form 3160-3 (August 1999)

UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

FORM APPROVED OMB No. 1004-0136 Expires November 30, 2000

5. Lease Serial No. UTU-02510-A

 $0\ 0\ 1$

APPLICATION FOR PERMIT TO DRILL OR REENTER

6. If Indian, Allottee or Tribe Name

la. Type of Work:	☑ DRILL	☐ REENTER	CC	NFIDEN	TIAL	7. If Unit or CA Agreement, Na WHITE RIVER	me and No.
lb. Type of Well:	Oil Well	⊠ Gas Well	☐ Other	Single Zone	☐ Multiple Zone	8. Lease Name and Well No. OU GB 11W-4-8-22	
2. Name of Operator	or AH ENERGY II	NC.	ntact: JOHN E-Mail: j	BUSCH busch@shenandoahener	gy.com	9. API Well No. 43-047-347	lol
3a. Address 11002 E. 17500 VERNAL, UT 8			Ph:	hone No. (include area c 435.781.4341 435.781.4323	ode)	10. Field and Pool, or Explorato WHITE RIVER	гу
4. Location of Well	(Report location	on clearly and in a	ccordance with	any State requirements.	*)	11. Sec., T., R., M., or Blk. and	Survey or Area
At surface	NESW	/ 2023FSL 2113	BFWL 444	5342 Y 40,1	4992	Sec 4 T8S R22E Mer S	LB
At proposed pr	od. zone		<i>L</i> 932	5342 Y 40,1 2250 X -109.4	f4735		
14. Distance in mile 10 +/- MILES		rom nearest town o T OF REDWAS				12. County or Parish UINTAH	13. State UT
15. Distance from p	proposed location	to nearest property	or 16. N	lo. of Acres in Lease		17. Spacing Unit dedicated to the	is well
2023' +/-	Also to hearest dri	ig. unit line, if any)		07.83		40.00	
18. Distance from p	proposed location	to nearest well, dri	lling, 19. P	roposed Depth		20. BLM/BIA Bond No. on file	
1000' +/-	olied for, on this le	ease, ft.		250 MD 250 TVD		UT-1237	
21. Elevations (Sho 5206 KB	w whether DF, K	B, RT, GL, etc.	22. A	approximate date work w	rill start	23. Estimated duration 10 DAYS	
				04 44 1			

Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

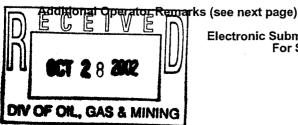
- 1. Well plat certified by a registered surveyor.
- 2. A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
- 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification
- Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature — John Burns	Name (Printed/Typed) JOHN BUSCH Pederal Approval of this Action is Nacessary	Date 10/24/2002
Title OPERATIONS	Action is Necessary	
Approved by Signature	Name (Printed/Typed)	Date
Ladley 1	BRADLEY G. HILL	10-29-02
Title	Offienvironmental scientist III	

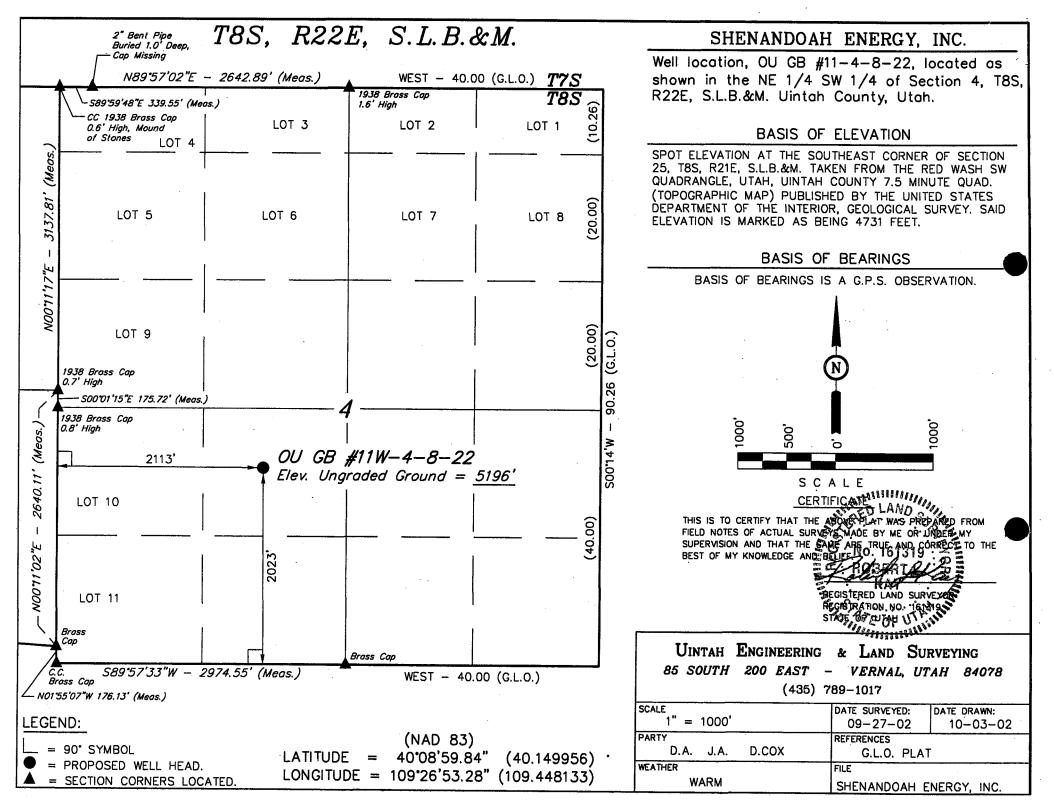
Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.



Electronic Submission #14924 verified by the BLM Well Information System For SHENANDOAH ENERGY INC., sent to the Vernal



SHENANDOAH ENERGY INC. OU GB 11W-4-8-22

ONSHORE OIL & GAS ORDER NO. 1 Approval of Operations on Onshore Federal Oil and Gas Leases

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas No. 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

1. Formation Tops

The estimated tops of important geologic markers are as follows:

Formation	Depth
Uinta	Surface
Green River	2964
Mahogany Ledge	3989
Mesa	6549
TD (Wasatch)	8250

2. Anticipated Depths of Oil, Gas, Water and Other Mineral Bearing Zones

The estimated depths at which the top and bottom of the anticipated water, oil, gas or other mineral bearing formations are expected to be encountered are as follows:

Substance	Formation	Depth
Oil/Gas	Wasatch	8250

All fresh water and prospectively valuable minerals encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

All water shows and water-bearing sands will be reported to the BLM in Vernal, Utah. Copies of State of Utah form OGC-8-X are acceptable. If no flows are detected, samples will be submitted to the BLM along with any water analyses conducted.

3. Anticipated Bottom Hole Pressures

Maximum anticipated bottom hole pressure equals approximately 3300.0 psi.

SHENANDOAH ENERGY INC. **OVER AND UNDER GLEN BENCH 11W-4-8-22** 2023' FSL, 2113' FWL **NESW, SECTION 4, T8S, R22E UINTAH COUNTY, UTAH** LEASE # UTU-02510-A

ONSHORE ORDER NO. 1

MULTI - POINT SURFACE USE & OPERATIONS PLAN

An onsite inspection was conducted for the OU GB 11W-4-8-22 on October 22, 2002 at approximately 2:30 PM. Weather conditions were mostly cloudy with a light sprinkle at the time of the onsite. In attendance at the inspection were the following individuals:

Byron Tolman

Bureau of Land Management

Dixie Sadlier

Bureau of Land Management

Jan Nelson

Stephanie Howard Bureau of Land Management

Raleen Searle

Shenandoah Energy Inc.

Shenandoah Energy Inc.

Existing Roads:

The proposed well site is approximately 10 miles southwest of Red Wash, Utah.

Refer to Topo Maps A and B for location of access roads within a 2 - mile radius.

There will be no improvements made to existing access roads.

Planned Access Roads:

Please see Shenandoah Energy Inc. Standard Practices for Wasatch Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and undesignated fields in Townships 07 and 08 South, Ranges 21 to 24 East.

Refer to Topo Map B for the location of the proposed access road.

3. Location of Existing Wells Within a 1 – Mile Radius:

Please refer to Topo Map C.

Location of Existing & Proposed Facilities:

Please see Shenandoah Energy Inc. Standard Practices for Wasatch Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and undesignated fields in Townships 07 and 08 South, Ranges 21 to 24 East.

Refer to Topo Map D for the location of the proposed pipeline.

5. Location and Type of Water Supply:

Please see Shenandoah Energy Inc. Standard Practices for Wasatch Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and undesignated fields in Townships 07 and 08 South, Ranges 21 to 24 East.

Source of Construction Materials:

Please see Shenandoah Energy Inc. Standard Practices for Wasatch Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and undesignated fields in Townships 07 and 08 South, Ranges 21 to 24 East.

7. Methods of Handling Waste Materials:

Please see Shenandoah Energy Inc. Standard Practices for Wasatch Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and undesignated fields in Townships 07 and 08 South, Ranges 21 to 24 East.

8. Ancillary Facilities:

Please see Shenandoah Energy Inc. Standard Practices for Wasatch Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and undesignated fields in Townships 07 and 08 South, Ranges 21 to 24 East.

9. Well Site Layout: (See Location Layout Diagram)

The attached Location Layout Diagram describes drill pad cross-sections, cuts and fills and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s), and surface material stockpile(s).

Please see the attached diagram to describe rig orientation, parking areas, and access roads.

A pit liner is required.

10. Plans for Reclamation of the Surface:

Please see Shenandoah energy Inc. Standard Operating Practices for Wasatch Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and undesignated fields in Township 07 and 08 South, Ranges 21 to 24 East.

Seed mix # 4.

11. Surface Ownership:

The well pad and access road are located on lands owned by:

Bureau of Land Management 170 South 500 East Vernal, Utah 84078 (435) 781-4400

12. Other Information

A Class III archaeological survey was conducted by Montgomery Archaeology Consultants. A copy of this report was submitted directly to the appropriate agencies by Montgomery Archaeology Consultants. Cultural resource clearance was recommended for this location.

There is a Burrowing Owl Stipulation form April 1st - August 15th. No construction or drilling will commence during this period unless otherwise determined by a wildlife biologist that the site is inactive.

Lessee's or Operator's Representative:

John Busch Red Wash Operations Rep. Shenandoah Energy Inc. 11002 East 17500 South Vernal, Utah 84078 (435) 781-4341

Certification:

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil & Gas Orders, the approved plan of operations, and any applicable Notice to Lessees.

Shenandoah Energy Inc. will be fully responsible for the actions of their subcontractors.

A complete copy of the approved Application for Permit to Drill will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Shenandoah Energy Inc. its' contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

John Burch	24-Oct-02	4
John Busch	Date	
Red Wash Operations Representative		

Additional Operator Remarks:

Shenandoah Energy Inc. proposes to drill a well to 8250' to test the Wasatch. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per BLM and State of Utah requirements.

Please see Shenandoah Energy Inc. Standard Operating Practices for Wasatch Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and undesignated fields in Townships 07 and 08 South, Ranges 21 and 24 East.

See Onshore Order No. 1 attached

Please be advised that Shenandoah Energy Inc. agrees to be responsible under the terms and conditions of the lease for the operations conducted upon the lease lands.

Bond coverage for this well is provided by Bond No. UT-1237. The principal is Shenandoah Energy Inc. via surety as consent as provided for the 43 CFR 3104.2.

SHENANDOAH ENERGY, INC.

OU GB #11W-4-8-22

LOCATED IN UINTAH COUNTY, UTAH SECTION 4, T8S, R22E, S.L.B.&M.

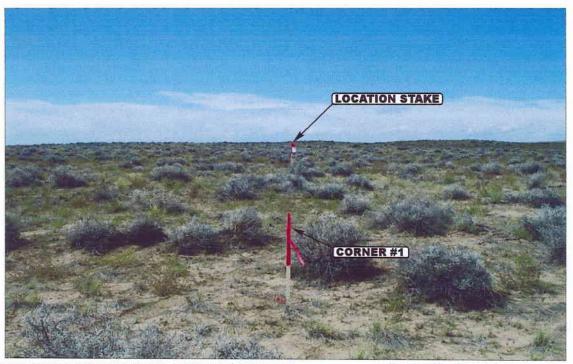


PHOTO: VIEW FROM CORNER #1 TO LOCATION STAKE

CAMERA ANGLE: NORTHWESTERLY

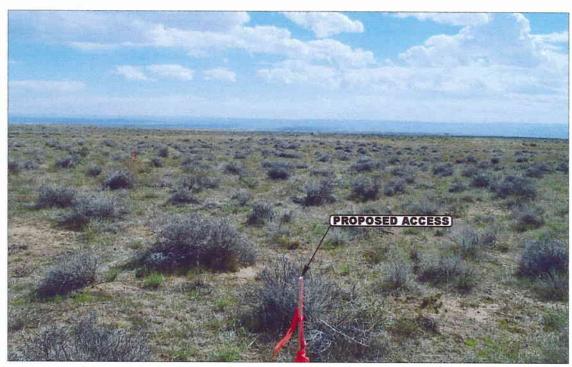


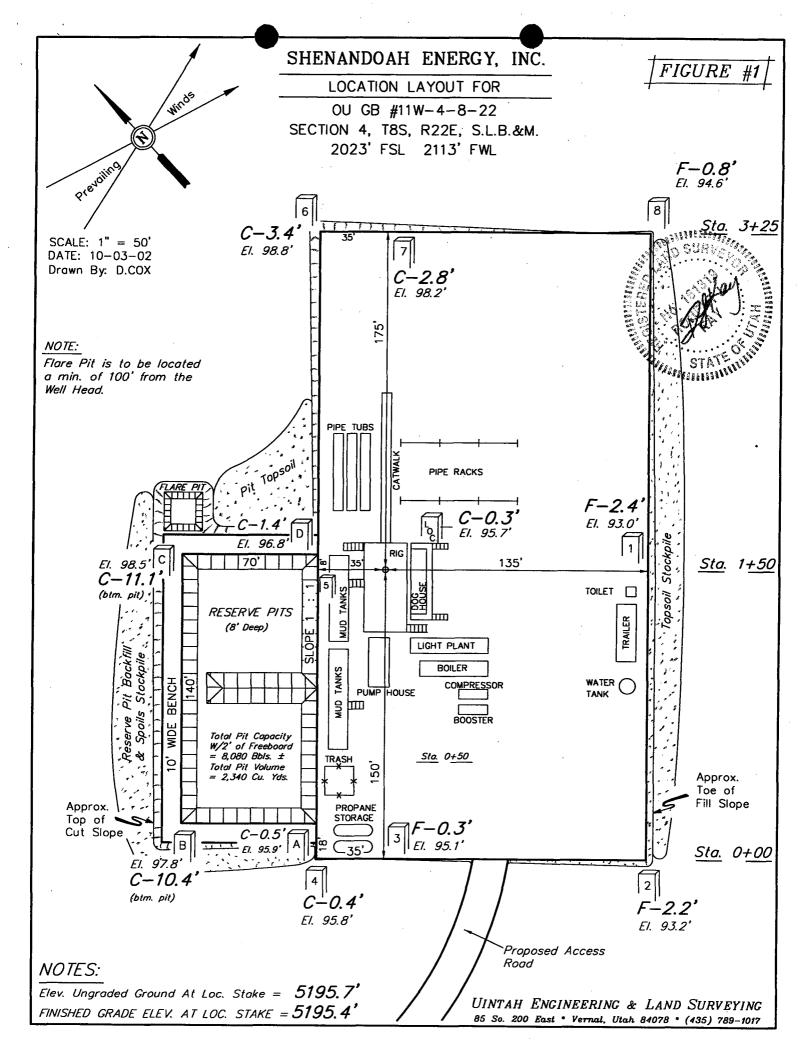
PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

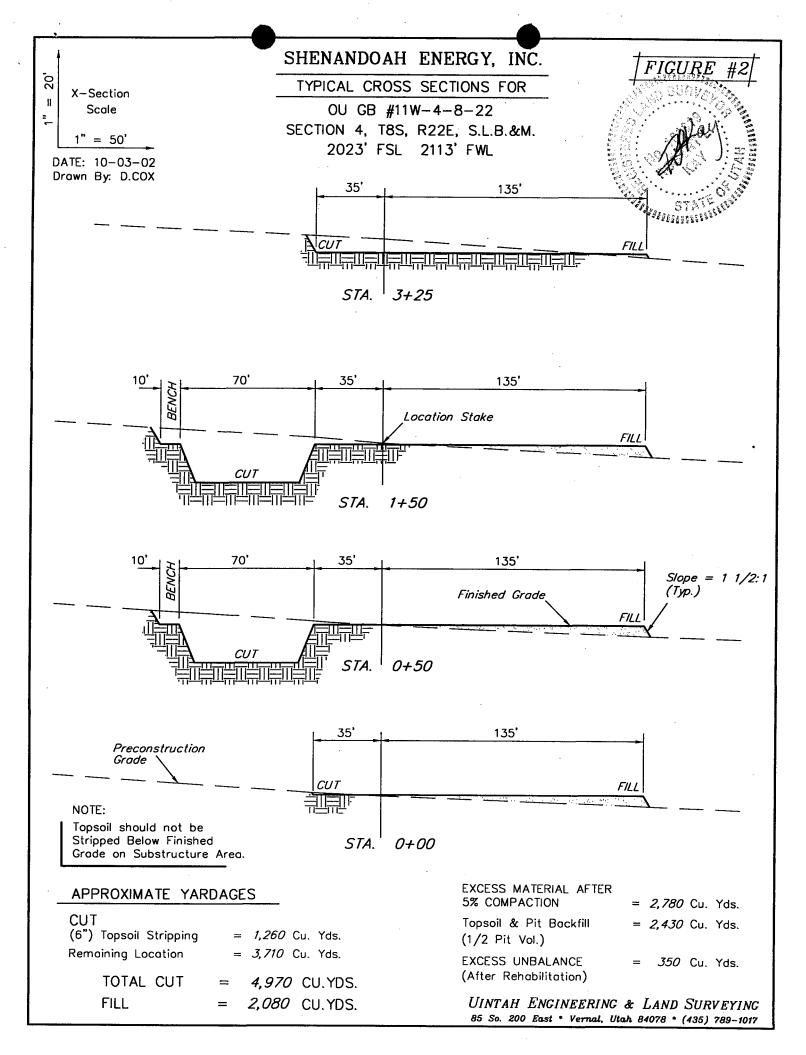
CAMERA ANGLE: SOUTHEASTERLY

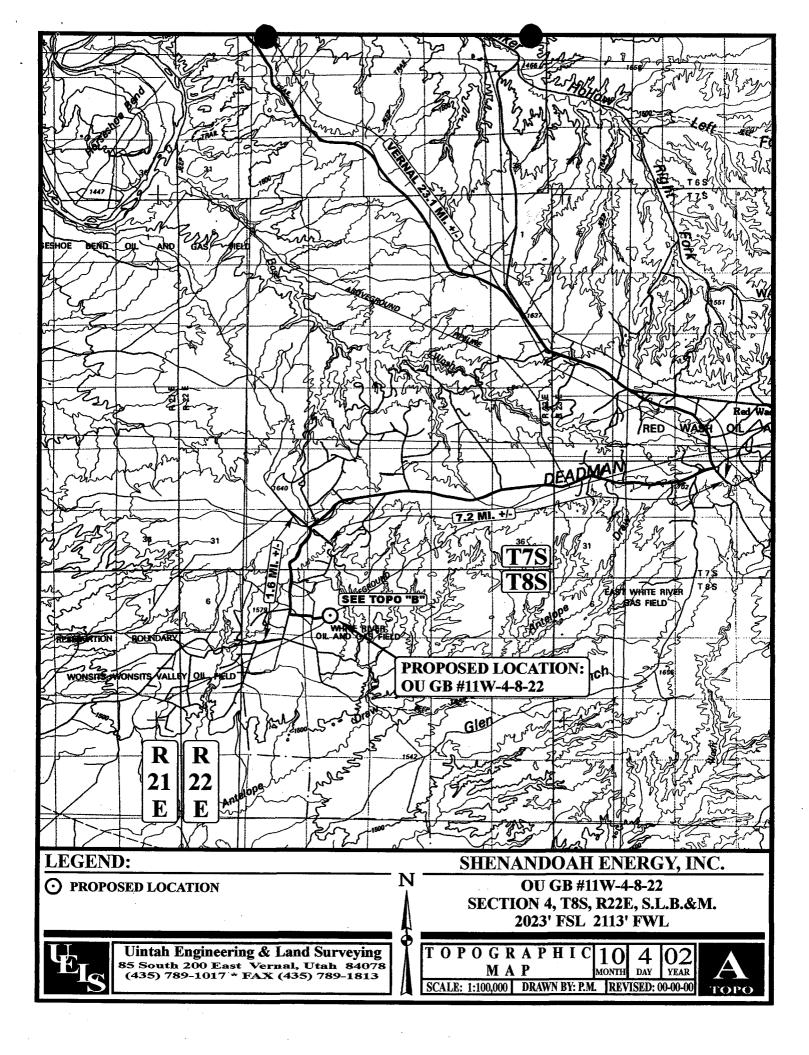
РНОТО

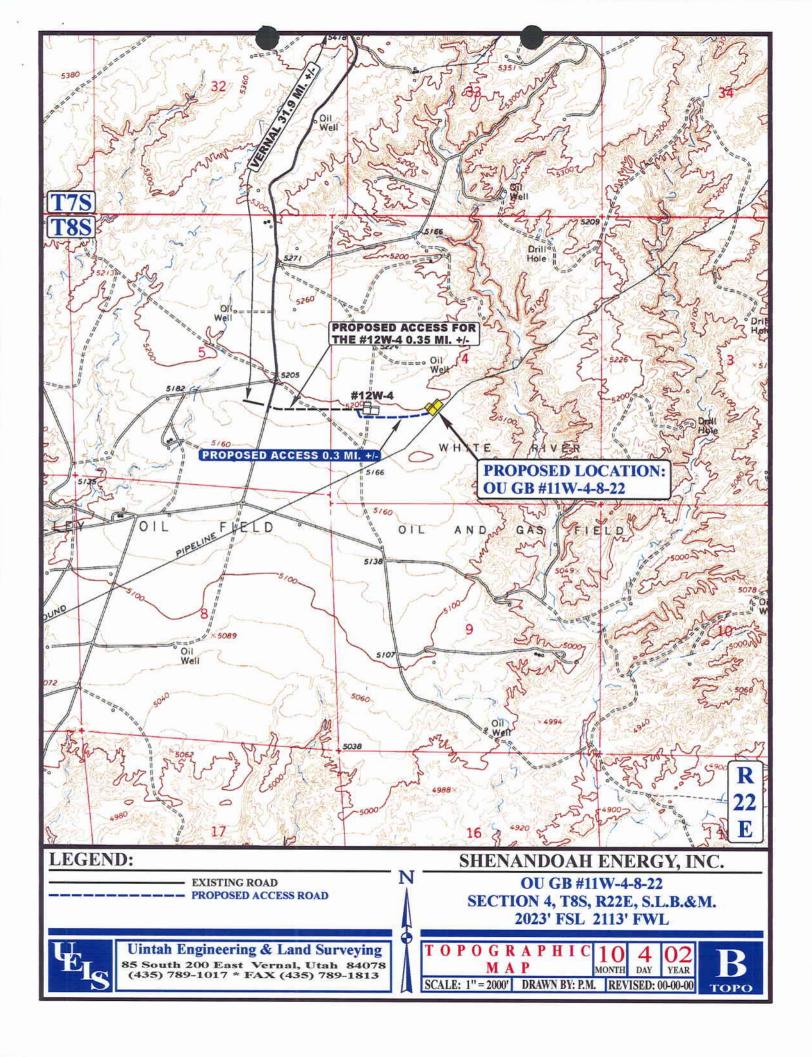


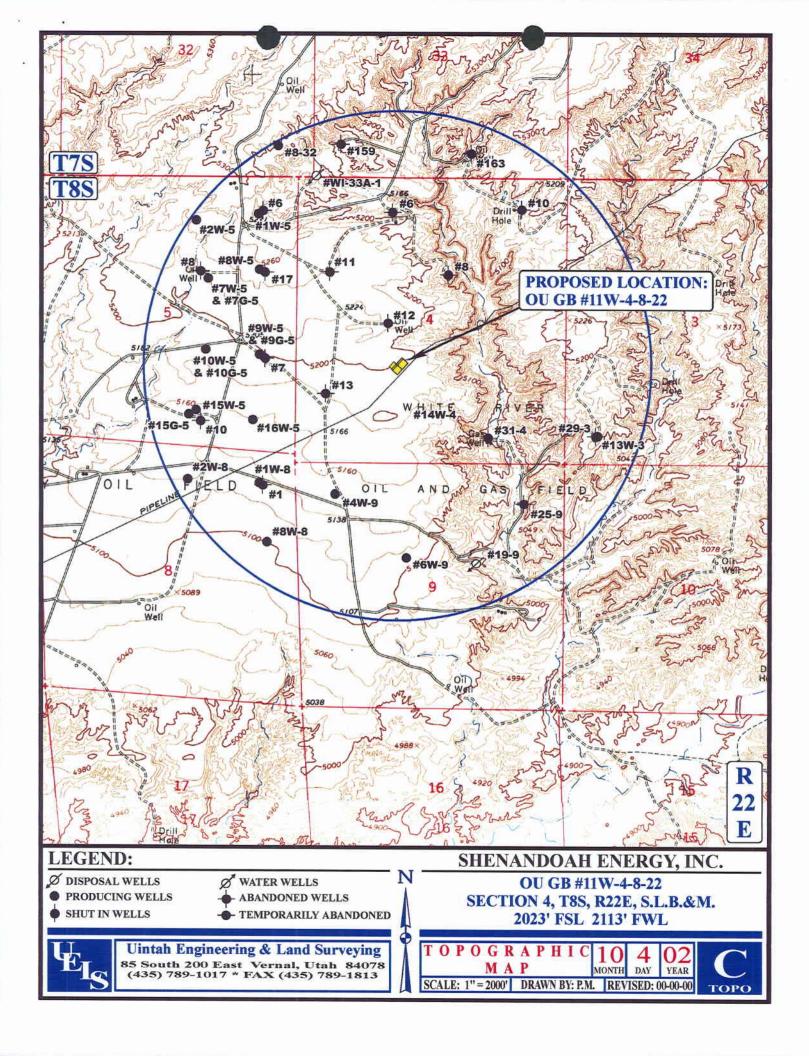
Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

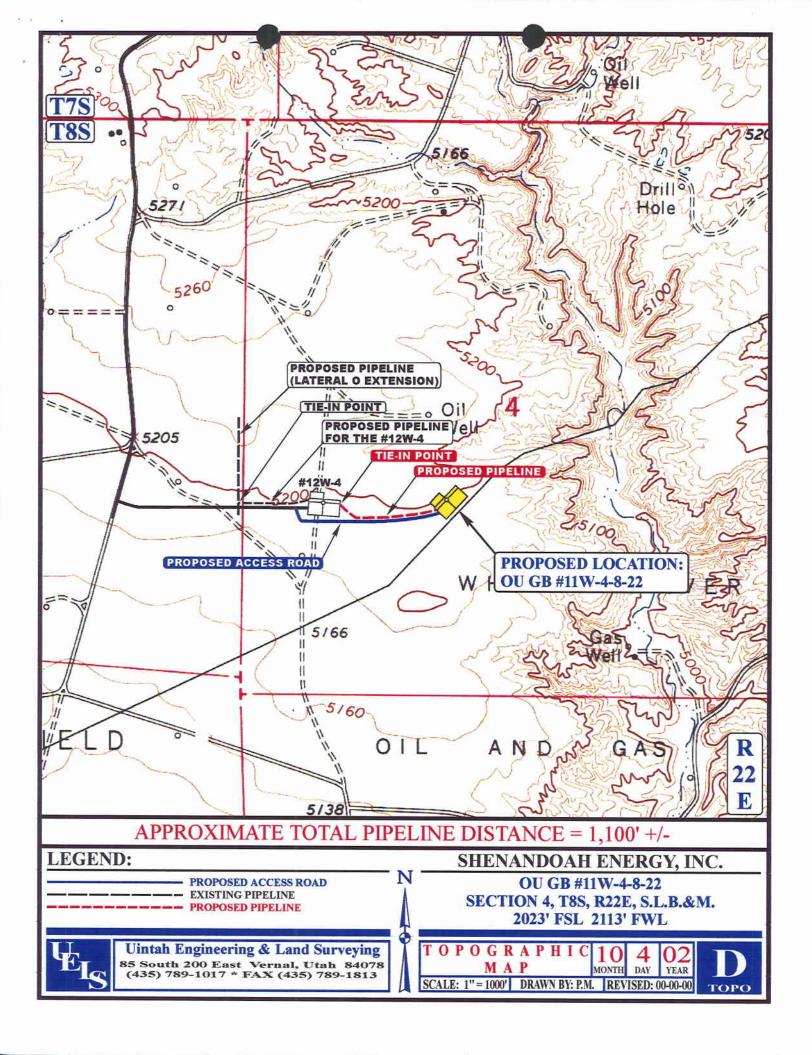






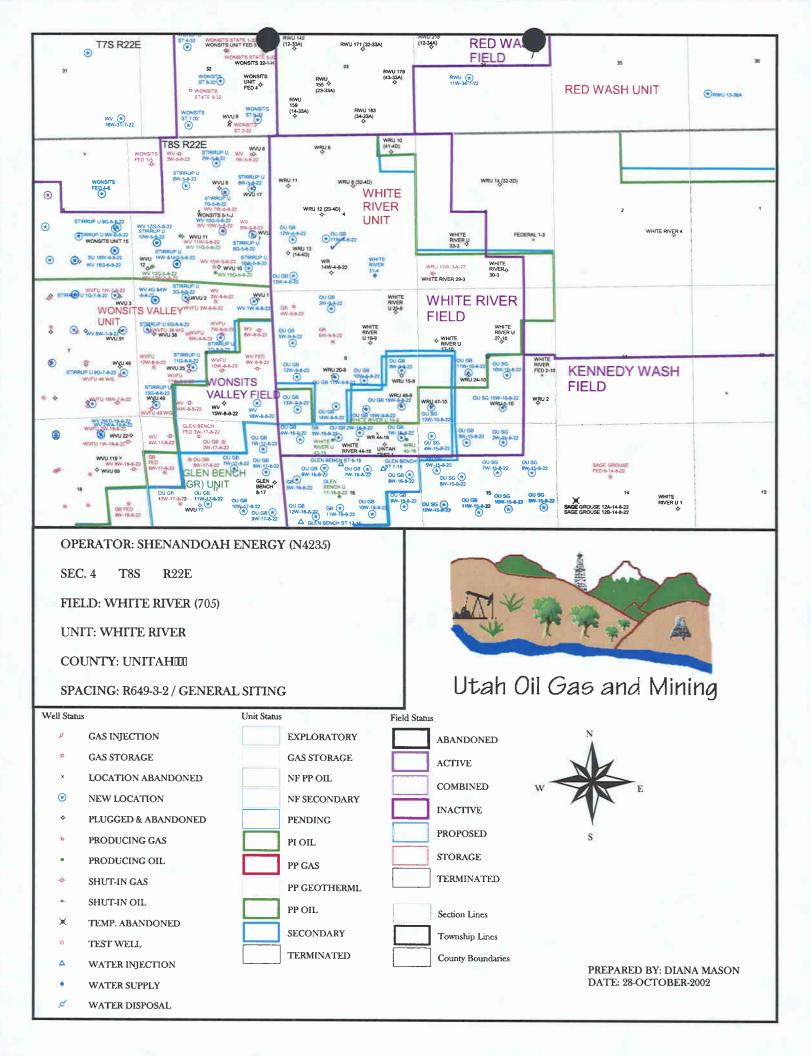






WORKSHEET APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 10/28/2002	API NO. ASSIGNI	ED: 43-047-3476	51
WELL NAME: OU GB 11W-4-8-22 OPERATOR: SHENANDOAH ENERGY INC (N4235) CONTACT: JOHN BUSCH	PHONE NUMBER: 4	35-781-4341	
PROPOSED LOCATION: NESW 04 080S 220E	INSPECT LOCATN	BY: / /	
SURFACE: 2023 FSL 2113 FWL BOTTOM: 2023 FSL 2113 FWL	Tech Review	Initials	Date
UINTAH	Engineering		
WHITE RIVER (705)	Geology		
LEASE TYPE: 1 - Federal LEASE NUMBER: UTU-02510-A	Surface		
SURFACE OWNER: 1 - Federal	LATITUDE: 40.1	4992	
PROPOSED FORMATION: WSTC	LONGITUDE: 109.	44735	
Plat Plat Bond: Fed[1] Ind[] Sta[] Fee[] (No. UT-1237) Potash (Y/N) N Oil Shale 190-5 (B) or 190-3 or 190-13 Water Permit (No. 43-8496) N RDCC Review (Y/N) (Date:) NA Fee Surf Agreement (Y/N)	R649-3-3. E Drilling Uni Board Cause Eff Date: Siting:	General rom Qtr/Qtr & 920' Exception	
COMMENTS: Sup, Seperate Lie			
stipulations: 1- federal approval 2-Spacing Ship			



002

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office P.O. Box 45155 Salt Lake City, Utah 84145-0155

IN REPLY REFER TO: 3160 (UT-922)

<date>

Memorandum

To:

Assistant District Manager Minerals, Vernal District

From:

Michael Coulthard, Petroleum Engineer

Subject:

2002 Plan of Development White River Unit, Uintah County, Utah.

Pursuant to email between Diana Mason, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management. The following wells are planned for calendar year 2002 within the White River Unit, Uintah County, Utah.

Api Number

Well

Location

(Proposed PZ Wasatch)

43-047-34761 OU GB 11W-4-8-22 Sec. 4 T8S R22E 2023 FSL 2113 FWL 43-047-34762 OU GB 12W-4-8-22 Sec. 4 T8S R22E 1980 FSL 0827 FWL

This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard

bcc:

File - White River Unit

Division of Oil Gas and Mining

Agr. Sec. Chron Fluid Chron

MCoulthard:mc:<date>-<date>



Michael O. Leavitt Governor Robert L. Morgan Executive Director Lowell P. Braxton Division Director 1594 West North Temple, Suite 1210 PO Box 145801 Salt Lake City, Utah 84114-5801 (801) 538-5340 telephone (801) 359-3940 fax (801) 538-7223 TTY www.nr.utah.gov

October 29, 2002

Shenandoah Energy Inc. 11002 E 17500 S Vernal, UT 84078

Re: Over and Under Glen Bench 11W-4-8-22 Well, 2023' FSL, 2113' FWL, NE SW, Sec. 4,

T. 8 South, R. 22 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann.§ 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-34761.

Sincerely,

John R. Baza
Associate Director

pb Enclosures

cc: Uintah County Assessor

Bureau of Land Management, Vernal District Office

Utah!
Where ideas connect

Operator:		Shenandoah Energy Inc.		
Well Name & Number_		Over and Under Glen Be	nch 11W-4-8-22	
API Number:		43-047-34761		
Lease:		UTU-02510-A		
Location: NE SW	Sec 4	T. 8 South	R. _22 East_	

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

• Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

• Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

- 4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.
- 5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

Form 3160-3 (August 1999)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB No. 1004-0136 Expires November 30, 2000

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41		-
11	11	- 1

5. Lease Serial No. UTU02510A

APPLICATION FOR PERMIT	TO DRILL OR REENTER	6. If Indian, Allottee or Tribe Name	
1a. Type of Work: 🛛 DRILL 🗖 REENTER	CONFIDENTIAL	7. If Unit or CA Agreement, Name an UTU63021X	ıd No.
1b. Type of Well: ☐ Oil Well ☐ Gas Well ☐ Oth	er Single Zone Multiple Zone	8. Lease Name and Well No. OU GB 11W-4-8-22	
	JOHN BUSCH E-Mail: john.busch@questar.com	9. API Well No. 43-047-34	761-00-X
3a. Address 11002 EAST 17500 SOUTH VERNAL, UT 84078-8526	3b. Phone No. (include area code) Ph: 435.781.4341 Fx: 435.781.4323	10. Field and Pool, or Exploratory WHITE RIVER	
4. Location of Well (Report location clearly and in accorda	nce with any State requirements.*)	11. Sec., T., R., M., or Blk. and Surve	y or Area
At surface NESW 2023FSL 2113FWL		Sec 4 T8S R22E Mer SLB	
At proposed prod. zone			
 Distance in miles and direction from nearest town or post of 10 +/- MILES SOUTHWEST OF REDWASH, UT 		12. County or Parish UINTAH	13. State UT
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig, unit line, if any)	16. No. of Acres in Lease	17. Spacing Unit dedicated to this we	11
2023' +/-	907.83	40.00	
 Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 	19. Proposed Depth	20. BLM/BIA Bond No. on file	
1000' +/-	8250 MD _8250 TVD	UT1237	
21. Elevations (Show whether DF, KB, RT, GL, etc. 5206 KB	22. Approximate date work will start	23. Estimated duration 10 DAYS	
	24. Attachments		
The following, completed in accordance with the requirements of	f Onshore Oil and Gas Order No. 1, shall be attached to t	his form:	
Well plat certified by a registered surveyor. A Drilling Plan. A Surface Use Plan (if the location is on National Forest Syst SUPO shall be filed with the appropriate Forest Service Office.)	Item 20 above). 5. Operator certification	ns unless covered by an existing bond or	`

- authorized officer.

25. Signature (Electronic Submission)	Name (Printed/Typed) JOHN BUSCH	Date 10/24/2002
Title OPERATIONS		
Approved by (Signature) (Electronic Submission)	Name (Printed/Typed) ED FORSMAN	Date 11/29/2002
Title ACTING AFM FOR MINERAL RESOURCES	Office Vernal	

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

ARIECTIVED
Electronic Submission #14924 verified by the BLM Well Information System
For SHENANDOAH ENERGY INC, sent to the Vernal
NOV 2 9 2002 Committed to AFMSS for processing by LESLIE WALKER on 10/25/2002 (03LW0216AE)

DIVISION OF OIL, GAS AND MINING

Additional Operator Remarks:

Shenandoah Energy Inc. proposes to drill a well to 8250' to test the Wasatch. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per BLM and State of Utah requirements.

Please see Shenandoah Energy Inc. Standard Operating Practices for Wasatch Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and undesignated fields in Townships 07 and 08 South, Ranges 21 and 24 East.

See Onshore Order No. 1 attached

Please be advised that Shenandoah Energy Inc. agrees to be responsible under the terms and conditions of the lease for the operations conducted upon the lease lands.

Bond coverage for this well is provided by Bond No. UT-1237. The principal is Shenandoah Energy Inc. via surety as consent as provided for the 43 CFR 3104.2.

Revisions to Operator-Submitted EC Data for APD #14924

Operator Submitted

Lease:

UTU-02510-A

Agreement:

WHITE RIVER

Operator:

SHENANDOAH ENERGY INC.

11002 E. 17500 S. VERNAL, UT 84078 Ph: 435.781.4341 Fx: 435.781.4323

Admin Contact:

JOHN BUSCH OPERATIONS 11002 E. 17500 S. VERNAL, UT 84078 Ph: 435.781.4341 Fx: 435.781.4323

E-Mail: jbusch@shenandoahenergy.com

Tech Contact:

Well Name:

OU GB Number: 11W-4-8-22

Location:

State:

UINTAH County:

S/T/R: Surf Loc: Sec 4 T8S R22E Mer SLB **NESW 2023FSL 2113FWL**

Field/Pool:

WHITE RIVER

Bond:

UT-1237

BLM Revised (AFMSS)

UTU02510A

UTU63021X

SHENANDOAH ENERGY INC

11002 EAST 17500 SOUTH VERNAL, UT 84078-8526 Ph: 435.781.4300

Fx: 435.781.4329

JOHN BUSCH OPERATIONS 11002 EAST 17500 SOUTH VERNAL, UT 84078-8526 Ph: 435.781.4341 Fx: 435.781.4323

E-Mail: john.busch@questar.com

OU GB 11W-4-8-22

UINTAH

Sec 4 T8S R22E Mer SLB NESW 2023FSL 2113FWL

WHITE RIVER

UT1237

COAs Page 1 of 3 Well No.: OU GB 11W-4-8-22

CONDITIONS OF APPROVAL APPLICATION FOR PERMIT TO DRILL

Company/Operator:	Shenandoah Energy, Inc.
Well Name & Number:	OU GB #11W-4-8-22
API Number:	43-047-34761
Lease Number:	U-02510A
Location: <u>NESW</u> S	Sec. <u>4</u> T. <u>8S</u> R. <u>22E</u>
Agreement:	White River Unit

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

CONDITIONS OF APPROVAL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease that would entitle the applicant to conduct operations thereon.

Be aware fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.

Casing Program and Auxiliary Equipment

As a minimum requirement, the cement behind the production casing must extend 200' above the top of the Green River Formation identified at ± 3148 '.

Coring, Logging and Testing Program

Daily drilling and completion progress reports shall be submitted to this office on a weekly basis.

COAs Page 2 of 3 Well No.: OU GB 11W-4-8-22

Other Information

Please submit an electronic copy of all logs run on this well in LAS format. This submission will supercede the requirement for submittal of paper logs to the BLM.

In the event after-hours approvals are necessary, you must contact one of the following individuals:

Ed Forsman

(435) 828-7874

Petroleum Engineer

Kirk Fleetwood

(435) 828-7875

Petroleum Engineer

BLM FAX Machine (435) 781-4410

COAs Page 3 of 3

Well No.: OU GB 11W-4-8-22

SURFACE USE PROGRAM CONDITIONS OF APPROVAL (COAs)

The pit shall be lined with plastic. Felt will not be required unless rocks are encountered.

The seed mix for this location shall be Mix 4:

Fourwing saltbush Atriplex canescens 4 lbs./acre
Indian Ricegrass Oryzopsis hymenoides 4 lbs./acre
Globemallow (scarlet or munroe) Sphaeralcea coccinea or munroana 4 lbs./acre

-All poundages are in pure live seed.

-Reseeding may be required if first seeding is not successful.

No construction or drilling activities will occur during the Burrowing Owl reproductive period of April 1 to August 15 unless the wildlife biologist conducts a survey and determines that no owls are within .5 mile of the proposed well.



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office P.O. Box 45155 Salt Lake City, UT 84145-0155

IN REPLY REFER TO UT-922

June 9, 2003

QEP Uinta Basin, Inc. 1050 17th Street, Suite 500 Denver, Colorado 80265

Re:

White River Unit Uintah County, Utah

Gentlemen:

On May 30, 2003, we received an indenture dated February 1, 2003, whereby Shenandoah Energy, Inc. changed it name and QEP Uinta Basin, Inc. was designated as Successor Unit Operator for the White River Unit, Uintah County, Utah.

This indenture was executed by all required parties and the signatory parties have complied with Sections 5 and 6 of the unit agreement. The instrument is hereby approved effective June 9, 2003. In approving this designation, the Authorized Officer neither warrants nor certifies that the designated party has obtained all required approval that would entitle it to conduct operations under White River Unit Agreement.

Your nationwide (Eastern States) oil and gas bond No. B000024 will be used to cover all operations within the White River Unit.

It is requested that you notify all interested parties of the name change of unit operator. Copies of the approved instruments are being distributed to the appropriate federal offices, with one copy returned herewith.

Sincerely,

/s/ Robert A. Henricks

Robert A. Henricks Chief, Branch of Fluid Minerals

Enclosure

bcc: Field Manager - Vernal (w/enclosure)

SITLA

Division of Oil, Gas & Mining Minerals Adjudication Group

File – White River Unit (w/enclosure)

Agr. Sec. Chron Fluid Chron

UT922:TAThompson:tt:6/9/03

OPERATOR CHANGE WORKSHEET

007

Change of Operator (Well Sold)

ROUTING

1. GLH

2. CDW

3. FILE

Designation of Agent/Operator

Merger

X Operator Name Change

The operator of the well(s) listed below has changed, effective:		2/1/2003
FROM: (Old Operator):	TO: (New	Operator):
N4235-Shenandoah Energy Inc		Uinta Basin Inc
11002 E 17500 S	1	02 E 17500 S
Vernal, UT 84078-8526	1	nal, UT 84078-8526
Phone: (435) 781-4341	Phone:	(435) 781-4341
CA No.	Unit:	WHITE RIVER UNIT

NAME	SEC	TWN	RNG	API NO	ENTITY	LEASE	WELL	WELL	Confid
					NO	TYPE	TYPE	STATUS	
OU GB 13W-4-8-22	04	080S	2205	4304734752		Endonal	CN	(A DD)	1
OU GB 11W-4-8-22				4304734752	<u> </u>	Federal	GW	APD	C
OU GB 3W-4-8-22				4304734701		Federal Federal	GW GW	APD APD	C C
OU GB 4W-4-8-22				4304734807	 	Federal	GW	APD	C
OU GB 5W-4-8-22		080S		4304734808	<u> </u>	Federal	GW	APD	C
OU GB 6W-4-8-22				4304734809	 	Federal	GW	APD	C
OU GB 9W-9-8-22				4304734650	 	Federal	GW	APD	C
OU GB 10W-9-8-22	09			4304734651	13730	Federal	GW	P	C
OU GB 12W-9-8-22	09	080S	220E	4304734652	13712	Federal	GW	TA	C
OU GB 11W-9-8-22	09	080S	220E	4304734653		Federal	GW	APD	C
OU GB 16W-9-8-22	09	080S	220E	4304734679	13729	Federal	GW	P	С
OU GB 5W-9-8-22	09	080S	220E	4304734753		Federal	GW	APD	C
OU GB 3W-9-8-22	09	080S	220E	4304734763		Federal	GW	APD	C
OU GB 11W-10-8-22	10	080S	220E	4304734691		Federal	GW	APD	C
OU GB 12W-10-8-22	10	080S	220E	4304734769	13864	Federal	GW	DRL	C
WRU EIH 14W-26-8-22	26	080S	220E	4304734835		Federal	GW	DRL	C
WRU EIH 11W-26-8-22	26	080S	220E	4304734836	+	Federal	GW	APD	C
WRU EIH 6W-35-8-22				4304734684		Federal	GW	DRL	C
									<u> </u>

OPERATOR CHANGES DOCUMENTATION

Ent	ter (date	atter	each	listed	item	İS	comp	leted
-----	-------	------	-------	------	--------	------	----	------	-------

١.	(R649-8-10) Sundry or legal documentation was received from the FORMER operator on:	6/2/2003
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2. (R649-8-10) Sundry or legal documentation was received from the NEW operator on: 6/2/2003

3. The new company was checked on the Department of Commerce, Division of Corporations Database on: 6/19

6/19/2003

4. Is the new operator registered in the State of Utah:

YES Business Number: 5292864-0151

5. If NO, the operator was contacted contacted on:

6. (R649-9-2) Waste Management Plan has been received on: IN PLACE
7.	Federal and Indian Lease Wells: The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: 7/21/2003
8.	Federal and Indian Units: The BLM or BIA has approved the successor of unit operator for wells listed on: 7/21/2003
9.	Federal and Indian Communization Agreements ("CA"): The BLM or BIA has approved the operator for all wells listed within a CA on:
10	Underground Injection Control ("UIC") The Division has approved UIC Form 5, Transfer of Authority to Inject for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on:
D/	ATA ENTRY:
1.	Changes entered in the Oil and Gas Database on: 9/11/2003
2.	Changes have been entered on the Monthly Operator Change Spread Sheet on: 9/11/2003
3.	Bond information entered in RBDMS on:
4.	Fee wells attached to bond in RBDMS on:
ST	ATE WELL(S) BOND VERIFICATION:
1.	State well(s) covered by Bond Number: 965-003-032
	DERAL WELL(S) BOND VERIFICATION: Federal well(s) covered by Bond Number: ESB000024
IN	DIAN WELL(S) BOND VERIFICATION:
1.	Indian well(s) covered by Bond Number: 799446
	E WELL(S) BOND VERIFICATION: (R649-3-1) The NEW operator of any fee well(s) listed covered by Bond Number 965-003-033
	The FORMER operator has requested a release of liability from their bond on: n/a
	ASE INTEREST OWNER NOTIFICATION: (R649-2-10) The FORMER operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on:
CC	MMENTS:

SEI (N4235) to QEP (N2460)

		L								
well_name	Sec		R	api DOGM	Entity			stat		unit name
OU GB 9W-9-8-22	09	080S	220E	4304734650		Federal	GW	APD	С	WHITE RIVER
OU GB 10W-9-8-22	09	080S	220E	4304734651	13730	Federal	GW	P	C	WHITE RIVER
OU GB 12W-9-8-22	09	080S	220E	4304734652	13712	Federal	GW	TA	C	WHITE RIVER
OU GB 11W-9-8-22	09	080S	220E	4304734653		Federal	GW	APD	C	WHITE RIVER
OU GB 16W-9-8-22	09	080S	220E	4304734679	13729	Federal	GW	P	С	WHITE RIVER
WRU EIH 6W-35-8-22	35	080S	220E	4304734684	13544	Federal	GW	DRL	C	WHITE RIVER
OU GB 11W-10-8-22	10	0808	220E	4304734691		Federal	GW	APD	C	WHITE RIVER
OU GB 13W-4-8-22	04	080S	220E	4304734752		Federal	GW	APD	C	WHITE RIVER
OU GB 5W-9-8-22	09	080S	220E	4304734753		Federal	GW	APD	C	WHITE RIVER
OU GB 11W-4-8-22	04	080S	220E	4304734761		Federal	GW	APD	C	WHITE RIVER
OU GB 3W-9-8-22	09	080S	220E	4304734763		Federal	GW	APD	C	WHITE RIVER
OU GB 12W-10-8-22	10	080S	220E	4304734769	13864	Federal	GW	DRL	С	WHITE RIVER
OU GB 3W-4-8-22	04	080S	220E	4304734806		Federal	GW	APD	C	WHITE RIVER
OU GB 4W-4-8-22	04	080S	220E	4304734807		Federal	GW	APD	C	WHITE RIVER
OU GB 5W-4-8-22	04	080S	220E	4304734808		Federal	GW	APD	C	WHITE RIVER
OU GB 6W-4-8-22	04	080S	220E	4304734809		Federal	GW	APD	C	WHITE RIVER
WRU EIH 14W-26-8-22	26	080S	220E	4304734835	12528	Federal	GW	DRL	C	WHITE RIVER
WRU EIH 11W-26-8-22	26	080S	220E	4304734836		Federal	GW	APD	C	WHITE RIVER

Form 3160-5 (Augūst 1999)

TED STATES

DEPARTMENT OF THE INTERIOR	
BUREAU OF LAND MANAGEMENT	

FORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 200

5. Lease Serial No. UTU-02510-A

SUNDRY NOTICES AND REPORTS ON WELLS

0 8 abandoned well	il. Use form 3160-3 (API	orni or to re-enter a O) for such proposa	n Is.	6. If Indian, Allotte	e or Tribe Name	
SUBMIT IN TRI	PLICATE - Other instruc	tions on reverse sid	de.	7. If Unit or CA/Ag WHITE RIVE	greement, Name and/or No.	
Type of Well	er	CONFIDE	NTIAL	8. Well Name and N OU GB 11W-4-		
Name of Operator QEP - UINTA BASIN INC		RALEEN SEARLE E-Mail: raleen.searle@o	questar.com	9. API Well No. 43-047-34761		
^{3a.} Address 11002 EAST 17500 SOUTH VERNAL, UT 84078		3b. Phone No. (include Ph: 435.781.4309 Fx: 435.781.4329	area code)	10. Field and Pool, WHITE RIVE		
4. Location of Well (Footage, Sec., T	, R., M., or Survey Description,	•	i	11. County or Parish, and State		
Sec 4 T8S R22E NESW 2023	FSL 2113FWL			UINTAH COL	JNTY, UT	
12. CHECK APPI	ROPRIATE BOX(ES) TO	INDICATE NATU	RE OF NOTICE,	REPORT, OR OTH	ER DATA	
TYPE OF SUBMISSION			TYPE OF ACTION			
Notice of Intent ■	☐ Acidize	□ Deepen	☐ Produ	action (Start/Resume)	☐ Water Shut-Off	
_	☐ Alter Casing	☐ Fracture Trea	at 🔲 Recla	mation	☐ Well Integrity	
☐ Subsequent Report	☐ Casing Repair	☐ New Constru	ction	mplete	Other	
☐ Final Abandonment Notice	☐ Change Plans	☐ Plug and Aba	andon 🔲 Temp	orarily Abandon		
	☐ Convert to Injection	☐ Plug Back	☐ Water	r Disposal		
COPY SENT TO OPERATOR Date: 12-03	Appround Utah Oil, Ga	oved by the Division of and Mining	the OU GB 11W-4	R No	ECEIVED	
The second control of the control of	By:	MAIN	<u> </u>	DIV. OF	DIL, GAS & MINING	
14. I hereby certify that the foregoing is Name (Printed/Typed) RALEEN :	Electronic Submission # For QEP -	25361 verified by the I UINTA BASIN INC, se	nt to the Vernal	on System		
Signature Ralle (Electronic S	Slarle	Date	11/20/2003			
Oignature (Electronic C	· · · · · · · · · · · · · · · · · · ·	OR FEDERAL OR		USE		
_Approved By		<u>Title</u>	e	Date	•	
Conditions of approval, if any, are attache certify that the applicant holds legal or equivalent would entitle the applicant to conduct the conduction of th	nitable title to those rights in the contract operations thereon.	subject lease Offi				
Title 18 U.S.C. Section 1001 and Title 43 States any false, fictitious or fraudulent	U.S.C. Section 1212, make it a	crime for any person know	wingly and willfully to	make to any department	or agency of the United	

Application for Permit to Drill Request for Permit Extension Validation

Validation
(this form should accompany the Sundry Notice requesting permit extension)

API:

43-047-34761

Well Name: OU GB 11W-4-8-22 Location: 2023 FSL, 2113 FWL, NESW, SECTION 4, T8S, R22 Company Permit Issued to: QEP UINTA BASIN, INC. Date Original Permit Issued: 11/29/2002
The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.
Following is a checklist of some items related to the application, which should be verified.
If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes⊡No ☑
Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☑
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes□No☑
Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes □ No ☑
Has the approved source of water for drilling changed? Yes□ No 🗹
Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes□No☑
ls bonding still in place, which covers this proposed well? Yes ☑ No □
Rallen Skuli 11/20/2003
Signature Date
Title: REGULATORY AFFAIRS ANALYST
Representing:

STATE OF UTAH

CONFIDENTIAL

FORM 9

0 0 9 DIVISION OF OIL, GAS AND MINING	5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-02510A
SUNDRY NOTICES AND REPORTS ON WELLS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	7. UNIT OF CA AGREEMENT NAME: UTU63021X
1. TYPE OF WELL OIL WELL GAS WELL OTHER	8. WELL NAME and NUMBER: OUGB 11W-4-8-22
2. NAME OF OPERATOR: QEP UINTA BASIN, INC.	9. API NUMBER: 4304734761
3. ADDRESS OF OPERATOR: 11002 E. 17500 S. CITY VERNAL STATE UT ZIP 84078 PHONE NUMBER: (435) 781-4341	10. FIELD AND POOL, OR WILDCAT: WHITE RIVER
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2023' FSL 2113' FWL	COUNTY: UINTAH
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESW 4 8S 22E	STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPO	RT, OR OTHER DATA
TYPE OF SUBMISSION TYPE OF ACTION	Part :
NOTICE OF INTENT	REPERFORATE CURRENT FORMATION
(Submit in Duplicate) ALTER CASING FRACTURE TREAT	SIDETRACK TO REPAIR WELL
Approximate date work will start: CASING REPAIR NEW CONSTRUCTION	TEMPORARILY ABANDON
CHANGE TO PREVIOUS PLANS OPERATOR CHANGE	TUBING REPAIR
CHANGE TUBING PLUG AND ABANDON SUBSEQUENT REPORT CHANGE WELL NAME PLUG BACK	VENT OR FLARE
(Submit Original Form Only)	WATER DISPOSAL
Date of work completion: CHANGE WELL STATUS PRODUCTION (START/RESUME)	WATER SHUT-OFF
COMMINGLE PRODUCING FORMATIONS RECLAMATION OF WELL SITE CONVERT WELL TYPE RECOMPLETE - DIFFERENT FORMATION	OTHER: APD EXTENSION
	une ote
QEP Uinta Basin, Inc. hereby requests a 1 year extension on the APD for the OUGB 11W-4 Approved by the Utah Division of Oil, Gas and Mining Date: By:	
NAME (PLEASE PRINT) John Busch TITLE Operations	
SIGNATURE JOL BUND DATE 8/24/2004	

(This space for State use only)

RECEIVED AUG 27 2004



Application for Permit to Drill Request for Permit Extension Validation

Validation (this form should accompany the Sundry Notice requesting permit extension)

API: 43-047-34761 Well Name: OUGB 11W-4-8-22 Location: 2023' FSL 2113' FWL NESW SEC 4 T8S R22E Company Permit Issued to: QEP UINTA BASIN, INC. Date Original Permit Issued: 10/29/2002						
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Has the approved source of water for drilling changed? Yes□No☑						
Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes□No☑						
Is bonding still in place, which covers this proposed well? Yes ☑ No ☐						
John Burch 8/24/2004						
Signature Date						
Title: OPERATIONS						
Representing: QEP UINTA BASIN, INC.						

RECEIVED AUG 2 7 2004



United States Department of the Interior

BUREAU OF LAND MANAGEMENT Vernal Field Office

170 South 500 East Vernal, UT 84078 (435) 781-4400 Fax: (435) 781-4410

http://www.blm.gov/utah/vernal

IN REPLY REFER TO: 3160 UT08300

December 22, 2004

Jan Nelson QEP-Uinta Basin, Inc. 11002 East 17500 South Vernal, UT 84078

Re:

Notification of Expiration Well No. OU GB 11W-4-8-22

NESW, Sec. 4, T8S, R22E Uintah County, Utah Lease No. UTU-02510A

White River Unit

Dear Ms. Nelson:

The Application for Permit to Drill the above-referenced well was approved on November 30. 2002. A one (1) year extension of the original APD was requested. The request was reviewed and the extension approved until November 30, 2004. According to our records, no known activity has transpired at the approved location. In view of the foregoing, this office is notifying you that the approval of the referenced application has expired. If you intend to drill at this location at a future date, a new Application for Permit to Drill must be submitted.

This office requires a letter confirming that no surface disturbance has been made for this drill site. Any surface disturbance associated with the approved location of this well is to be rehabilitated. A schedule for this rehabilitation must be submitted to this office. Your cooperation in this matter is appreciated.

> Sincerely, eslie Walker

Leslie Walker

Legal Instruments Examiner

UDOGM cc:

RECEIVED DEC 2 / 2004

DIV. OF OIL, GAS & MINING



State of Utah

Department of Natural Resources

ROBERT L. MORGAN Executive Director

Division of Oil, Gas & Mining

MARY ANN WRIGHT Acting Division Director

OLENE S. WALKER
Governor

GAYLE F. McKEACHNIE
Lieutenant Governor

January 4, 2005

Jan Nelson QEP Uinta Basin Inc. 11002 East 17500 South Vernal, Utah 84078

Re:

<u>APD Rescinded – OU GB 11W-4-8-22, Sec. 4, T. 8S, R. 22E</u> Uintah County, Utah API No. 43-047-34761

Dear Ms. Nelson:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on October 29, 2002. On November 25, 2003 the Division granted a one-year APD extension. On December 28, 2004, you requested that the division rescind the state approved APD. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective December 28, 2004.

A new APD must be filed with this office for approval <u>prior</u> to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

Diana Whitney

Engineering Technician

cc: Well File

Bureau of Land Management, Vernal

